

VIII. Housing Element

Important note added by General Plan publication editor: The Housing Element was prepared separately from the other elements of the General Plan in order to conform to deadlines established by the California Department of Housing and Community Development. The Element was not prepared by the personnel that prepared the remainder of the General Plan. The Element's style and format are presented as adopted.

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A. Background

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Unlike other General Plan Elements, the Housing Element requires detailed specific analyses and treatment of issues specified in the Government Code. For ease of review, these analyses are included within the body of the Element, following housing-related objectives and policies in Section VIII.B beginning on page 150.

Section VIII.B of the Element sets forth the City's overall and specific objectives, policies and programs related to housing. Findings developed from background information and analyses are briefly summarized, as applicable, for each policy group. While programs involve specific actions the City will undertake, policy statements guide not only Housing Element implementation but also other City decisions which may directly or indirectly affect housing.

The various housing programs outlined in Section VIII.C beginning on page 160 shall apply for the five-year period beginning January 1, 1993 through December 31, 1997 (the "planning period"), unless a more specific time frame(s) is specified. Programs outlined in this Element would be superseded by future programs adopted in the required 1997 revision of the Housing Element or any subsequent version of the Element.

The Housing Element must by statute identify quantified housing objectives which are oriented toward meeting the Legislature's overall housing objectives: to ensure that adequate housing is provided to all economic segments of the community. In this context, it should be clear that the "objectives" identified in the Housing Element are levels to be achieved, and exceeded, within other environmental and infrastructure constraints.

This Housing Element is a stand-alone document intended to replace the City's previous Housing Element adopted by negative declaration on December 20, 1990. It is intended to become an integral part of the City's existing General Plan (1980) until the current General Plan revision process is completed in 1992. Chapter, section, objective

and program numbering in this Housing Element conforms to that of the proposed Mount Shasta General Plan (1992). 16

To the greatest extent possible Objectives and Housing Policies contained in the previous housing elements have been retained, as well as the documents style for simplified cross checking.

The findings submitted to the state Department of Housing and Community Development concerning the Preservation of Assisted Units has been included in this Element.

B. Housing objectives, policies and programs

1. Overall objectives

- Objective HO-117: An adequate supply of sound, affordable housing for existing and future residents of Mount Shasta, consistent with county wide needs and without regard to the race, age, religion, sex, marital status, ethnic background or personal disabilities of those persons.
- Policy HO-1.1: Maintain consistency between the Housing Element and other elements of the General Plan.
Responsible Department: Planning Commission
Timeline: Annual review
- Policy HO-1.2: Provide adequate opportunities for persons from all economic segments of the community to participate in the development of the Housing Element.
Responsible Department: Planning Commission
Timeline: at annual review
- Policy HO-1.3: Facilitate the development of new housing in order to meet the needs generated from population growth. Review building and development requirements and standards and modify those deemed to be unnecessary or excessive and avoid policy changes that would disallow this to be modified in the future.
Responsible Department: Building Dept & City Administrator
Timeline: continual and at annual Housing Element review
- Policy HO-1.4: Ensure that the needs of lower income households are met in the Mount Shasta, in accordance with its share of the defined regional need.
Responsible Department: Administrator and Planning Commission
Timeline: Annual review

- Policy HO-1.5: Encourage, and take action to secure the rehabilitation of substandard or dilapidated housing units.
Responsible Department: City administrator
Timeline: Discuss with staff at least annually, plan for CDBG
Housing rehabilitation application for 1999
- Policy HO-1.6: Ensure that adequate sites, served or readily able to be served by City utilities and services, are available to support projected housing needs over the planning period.
Responsible Department: Planning Department
Timeline: Annually
- Policy HO-1.7: Encourage housing maintenance in order to avoid future need for significant rehabilitation or replacement.
Responsible Department: Building Department
Timeline: Continual
- Policy HO-1.8: Avoid, where public health, safety and welfare is not compromised, planning and other decisions which would result in the conversion of affordable housing to other uses.
Responsible Department: Planning Department
Timeline: Continually
- Policy HO-1.9: Ensure that adequate housing is available to meet identified special housing needs.
Responsible Department: Planning Department
Timeline: Annual review
- Policy HO-1.10: Encourage and support weatherization activities.
Responsible Department: City Administrator
Timeline: Meet annually with weatherization providers
- Policy HO-1.11: Support agencies and organizations serving the homeless.
Responsible Department: City Administrator
Timeline: Annual review and update with local homeless agency
- Policy HO-1.12: Support designated regulatory agencies in the prevention and correction of any reported discrimination in housing.
Responsible Department: City Administrator
Timeline: Continual

2. Basic Construction Needs

Population will increase by 380 persons during the planning period, based on a growth rate of 2.0% per annum. If the number of persons per household does not change significantly from the current average of 2.27 persons, a minimum of 170 housing units will need to be added to the inventory, or about 34 units per year.

Adequate land with appropriate zoning and land use designations is currently available to meet this need. The 1990 census established the overall City vacancy rate at 9.4% which is considered high, and 2.8% in the rental-only units, which is considered low. It should be noted that buildings under construction with just a roof are counted as vacant units although they are not finished, thus a subdivision or apartment building under construction can give a misleading figure.

Additional rental housing construction would be warranted in order to increase housing vacancy rates. New development policy, regulation, fees or exaction's can contribute to or detract from the City's ability to meet these needs.

Objective HO-2: Encourage construction of approximately 170 new housing units (including single family as well as multi-family) Over the five-year implementation period: the 170 units (34 units Year) will be needed to meet needs generated by population growth.

TABLE V Mount Shasta Growth Trends

Year c	Population	Gain	Annual Increase
1960	1,936	—	—
1970	2,256	320	1.6
1980	2,837	581	2.3
1990	3,460	623	2.0
1992 a	3,580	120	1.7
1993 b	3,640	60	1.7
1997 b	4,020	308	2.0

Program HO-2.1: The Land Use Element designates adequate lands to support identified housing construction needs. Appropriate zoning shall be maintained or applied to these lands to ensure availability for development during the planning period.
Responsible Department: Planning Department
Timeline: Annual review

- Program HO-2.2: Planning Department will continually review and encourage constructive criticism of its permit process in order to minimize costs and time required to process housing development permits.
Responsible Department: planning Department
Timeline: Continually
- Program HO-2.3: Planning Department will annually or when changes are made to that affect information. Revise the information handouts for permit applicants.
Responsible Department: Planning Department
Timeline: Annual
- Program HO-2.4: Prior to adoption of any policy or regulation which could significantly impede the development of housing, the Planning Commission and City Council will consider the adverse effects of the policy or regulation on the City's ability to provide housing; and minimize to the degree feasible adverse effects.
Responsible Department: Planning Commission
Timeline: Annual Review
- Program HO-2.5: With all due financial consideration and consistent with other General Plan policies, encourage, participate and cooperate in extension of City services to currently unserved areas, including direct financial participation when deemed appropriate by the City Council.
Responsible Department: Planning Department
Timeline: Annual Review
- Program HO-2.6: The City shall prepare sewer and storm drainage master plans as specified in the Circulation Element such that the quantified objectives of this Element can be achieved and that implementation of Housing Element programs are not impeded.
Responsible Department: City Administrator
Timeline: 1994
- Program HO-2.7: The City will not place any condition on approval of a residential project (which lowers the proposed density) if the project otherwise conforms to the general plan, zoning and or development policies in effect, unless the findings required by Government Code Section 65589.5 are made.
Responsible Department: Planning Department
Timeline: continual
- Program HO-2.8: The City Zoning Ordinance allows residential uses within the CBD on second floors and above in commercial structures.

3. Affordable Housing

Findings: Market rate rental housing is not affordable to "very low." income households and is affordable to only some "other lower." income households. Market rate rental housing is likely affordable to most "moderate." and "above moderate." income households.

Based on the 1980 Census data and trended forward to reflect the number of households in 1990, the State has estimated that there are 70 owner occupied households and 152 renter-occupied households paying more than 25 percent of their gross income for housing. The State also estimates that 65 percent of the households overpaying for housing are in low-income households.

Regional share needs for all income groups for the previous planning period 1983-1992 have been satisfied. Regional share needs for 1993-1997 have been established by the state Department of Housing and Community Development and can be found in SVIII.C.3 beginning on page 161.

Home ownership as a housing option is limited to the upper "other lower", "moderate." and "above moderate." Income groups. "Very low-" and most "other lower-" income households have little or no access to Home ownership. Existing mortgage subsidy programs are of limited availability.

Objective HO-3: Numerical objectives are established for low-moderate income housing for the planning period.
Responsible Department: Planning Department with review by City Planning Commission and City Council
Timeline: Fall 1998

Program HO-3.1: Encouragement and Coordination. The City will assist private and non-profit organizations in the development of low- and moderate-income housing where such development does not conflict with other policies and provisions of the General Plan and City ordinances. Assistance will include; maintenance of relationships with funding and facilitating agencies and organizations, site identification and local, state federal permit assistance.
Responsible Department: City Administrator
Timeline: Annual progress review, annual meeting with local housing advocates. Inventory of housing sites to be completed in 1998

Program HO-3.2: Incentives. The City Council will consider reducing permit fees, connection fees and/or improvement requirements for projects involving a substantial percentage of units (minimum of 25%) for

"very low-" or "other lower-" income households. Fee threshold will be consistent with State density bonus law.

Responsible Department: City Administrator

Timeline: 1998

Program HO-3.3: A 25% density bonus may be granted to qualifying projects, pursuant to Government Code 65915.

Responsible Department: Planning and Building Departments

Timeline: Continual

Program HO-3.4: The City shall encourage, coordinate with and support agencies and organizations operating rental and mortgage subsidy and self-help housing programs. The City will refer persons interested in developing low-cost housing to these agencies (Great Northern Corporation, USDA Rural Development, Federal Housing Administration, Banks participating in Community Reinvestment Act, others as City is made aware of them) for assistance.

Responsible Department: City Administrator, Planning & Building Depts

Timeline: Continual

Program HO-3.5: The Zoning Ordinance shall be revised to update and expand provisions for "planned developments" as provided in the Land Use Element.

Responsible Department: Planning Commission

Timeline: 1996

4. Reduction of Government Constraints

Findings: Land use controls exercised by the City result in no significant delays in or impediments to housing construction. City staff members are oriented toward providing a variety of assistance to housing construction. Some potential for inhibition of housing construction exists in the architectural review process, although this process has not significantly inhibited housing construction to date.

Mount Shasta's implementation of the State Subdivision Map Act and the California Environmental Quality Act are not responsible for any significant inhibition of housing development.

City improvement requirements and fees place no significant burden on housing development. Future adoption of mitigation fees could impact housing development, and limiting effects on housing should be a strong consideration in their adoption. Future increases in sewer and drainage fees could inhibit the provision of housing for low-and moderate-income persons.

Objective HO-4: Minimize the effect of any new mitigation, sewer and drainage fees on provision of housing for low-and moderate-income persons.

Program HO-4.1: At the time of adoption of any new mitigation fees, the City shall consider the housing needs of low-and moderate-income households. Provisions shall be included for potential fee reductions or other cost reductions for projects where 25% or more of the housing would be dedicated to low-and moderate-income persons when a covenant is signed assuring continued use by low-and moderate-income households.

Responsible Department: City Council

Timeline: Continual

Program HO-4.2: The City will continue to review its planning, permitting and environmental review programs to identify any potential constraints to housing development and means by which those constraints may be reduced.

Responsible Department: City Administrator

Timeline: Annual

5. Housing Rehabilitation

Findings: Mount Shasta lacks major rehabilitation problems: about 25 homes are in need of rehabilitation. Some concentration of rehabilitation need exists in the Mill/Berry street neighborhood. A majority of homes in Mount Shasta were constructed prior to the adoption of state energy standards and could, particularly for low-and moderate-income households, benefit from the addition of energy conserving features. Weatherization programs are offered by the Great Northern Corporation.

Objective HO-5: Rehabilitate, or seek funding to allow rehabilitation of, an average of three housing units per year during the planning period.
Facilitate weatherization of an average of 10 homes per year during the planning period.

Program HO-5.1: The City will support the Great Northern Corporation or other agencies in an application(s) for a CDBG rehabilitation grant during the planning period.

Responsible Department: City Administrator

Timeline: 1999

Program HO-5.2: The City will, as such information becomes available, notify or cooperate in notification of owners of homes in need of rehabilitation or weatherization about programs which could help meet rehabilitation needs.

Responsible Department: Building Department

Timeline: Continual

6. Adequate Site and Community Services

Findings: Overall, sufficient land supplies are available to meet projected housing needs over the planning periods, and sufficient developed lands are available to support multi-family housing needs; however, additional single-family residential lands need to be prepared for development. In order to provide adequate supply of, and at least minimal selection opportunities for, sites for single-family residential development, the rate of building site creation should exceed the housing construction rate. Lands available for conventional construction are also available for the placement of factory-built housing and mobile homes.

Land prices do not inhibit development of housing for low- and moderate-income households. Private initiative in raw land subdivision and City cooperation and assistance in providing services to these sites are needed to meet single-family housing needs for all income groups.

Objective HO-6: Over the planning period, prepare a minimum of 180 single-family building sites for development.

Program HO-6.1: The City will work with developers of housing located outside existing sewer and/or water service areas, or in areas where existing systems are at or near capacity, to develop or improve essential utility systems to facilitate housing development. City assistance may involve direct participation in improvements or cooperation in the formation of assessment districts or other means of financing necessary improvements.
Responsible Department: Planning Department
Timeline: Continual

Program HO-6.2: The City will pursue all available means of facilitating needed utility system extensions and improvements including seeking grant funding from state and/or federal agencies as available.
Responsible Department: City Administrator
Timeline: 1998

Program HO-6.3: The City will continue to develop and implement plans to expand domestic water and sewage collection and treatment systems such that planned development over the General Plan 20-year time frame can be accommodated. Housing construction goals identified in objective HO-6 can be achieved without expansion of existing facilities.
Responsible Department: City Administrator
Timeline: 1994 then continual

7. Conservation of Affordable Housing

Finding: Mount Shasta has a negligible housing demolition rate and limited rehabilitation needs. Nonetheless, action is needed to minimize future rehabilitation needs through encouragement of housing maintenance. If the Mount Shasta real estate market appreciates, affordable housing may become more of a premium and should be conserved.

Affordable housing can be lost through zoning decisions made by property owners which result in the conversion of affordable housing to commercial and other uses.

Objective HO-7: Conserve existing affordable housing wherever possible.

Program HO-7.1: In rezoning, permit or other decisions, the City shall consider the potential effects of the decision on affordable housing, particularly for low and moderate income households.
Responsible Department: Planning Commission
Timeline: Continual

Program HO-7.2: The City will periodically during the planning period conduct visual inspections of housing conditions, identifying homes in need of maintenance. The Building Department will notify the owners of the need and offer assistance as appropriate.
Responsible Department: Building Department
Timeline: Annual

Program HO-7.3: The City will continue to offer free guidance and technical assistance through the Building Department to homeowners who wish to repair and improve existing housing. The City will encourage, and participate in as appropriate, the activities of other agencies promoting homeowner maintenance and improvement self-help skills.
Responsible Department: Building Department
Timeline: Continual

8. Meeting Special Housing Needs

Findings: Mount Shasta lacks housing for handicapped families, and access to housing, on-site common facilities and community facilities is often inadequate.

Previously identified senior housing needs have been more than met by recent construction. Demand for quality subsidized units remains high, partially due to the desirability of the mount Shasta area and demands generated from outside the area.

Lower-income single-parent households may be substantially more disadvantaged in acquiring affordable housing than other income groups. Child care costs may be a significant limit on ability to pay.

The 1990 census indicates that Mount Shasta has no significant overcrowding problem. Due to lack of agricultural activities in the area, no distinct need for farm worker housing has been identified.

Objective HO-8: Encourage construction of new, or dedication of existing, housing units to meet identified special needs. Encourage the development of additional Child care facilities.

Program HO-8.1: Review building codes regarding door sizing, fixture placement and other provisions related to handicapped access, and consider ordinance which would impose standards which promote improved handicapped access.

Responsible Department: Building Department

Timeline: 1996 then annual update and review

Program HO-8.2: The Building Department distribute copies of state standards for on handicapped design to local builders, building designers and architects.

Responsible Department: Building Department

Timeline: 1993 and then Continual

Program HO-8.3: Actively enforce handicapped-related provisions of building Code and Municipal Code.

Responsible Department: Building Department

Timeline: Continual

9. Minimizing Energy Costs

Findings: Utility costs, especially during the winter months, are significant in Mount Shasta, particularly for lower- and fixed-income households. Monthly winter utility costs can approach rental costs in some instances.

Pacific Power and Light (PP&L) performs energy audits on both residential and commercial properties and offers zero-interest weatherization loans as well as some limited weatherization-cost rebates. The Great Northern Corporation operates both weatherization (reducing energy losses) and energy-cost support programs for lower-income households.

Objective HO-9: Facilitate weatherization of an average of 10 homes per year during the planning period.

Program HO-9.1: The City will support PP&L and Great Northern's energy audit and weatherization programs and provide referrals and participate in informing households that would potentially benefit from these programs.

Responsible Department: City Administrator

Timeline: Annual meeting with program providers

10. Providing for the Homeless

Findings: The incidence of homelessness in Mount Shasta is extremely low, and assistance to the homeless is provided by several agencies and organizations including the County Welfare Department, Great Northern Corporation and Mount Shasta Ministerial Association. Contacts with these agencies indicate that the needs of homeless persons are adequately met by existing programs at present.

Emergency shelters and transitional shelters are permitted in existing zoning categories as rooming and boarding facilities and are not prohibited uses.

Objective HO-10: Maintain existing services provided by other agencies to the homeless.

Program HO-10.1: Support activities of existing agencies and organizations in meeting needs of the homeless. By providing referral services to families and individuals needing food and or shelter.

Responsible Department: City Administrator

Timeline: Annual meeting with program providers

11. Equal Opportunity in Housing

Findings: Evidence of the need to eliminate discrimination in housing has declined since the adoption of the 1984 Housing Element. The City has not been involved in projects involving potential discrimination, and has not received any complaints. County wide, complaint levels are low. The City contains no known adults-only or other restricted housing, other than subsidized housing which involves certain income qualifications.

Objective HO-11: Equal access to housing to all persons in the community without regard to race, religion, sex, marital status, ancestry, national origin or color.

Program HO-11.1: City staff will refer all complaints regarding housing discrimination of any kind to the appropriate designated federal or state regulatory agencies. The City will monitor such complaints and consider the need for further action if a trend develops.

Responsible Department: City Administrator

Timeline: Continual

12. Statutory Compliance and General Plan Consistency

Findings: This Housing Element has been developed in conjunction with a comprehensive General Plan revision during 1992. Consistency of the Element with both the existing General Plan (1980) and proposed General Plan (1992) has been reviewed, and the Element is consistent with both Plan documents. Revision of the Element will be required in 1997 in accordance with a legislative-defined schedule. Consistency between the Housing Element and the other elements of the General Plan needs to be maintained.

Objective HO-12: Maintain compliance with Housing Element law and consistency between the Housing Element and General Plan elements at all times.

Program HO-12.1 The Housing Element shall be ~~revised in 1997~~ reviewed annually to incorporate projected census data and any new provisions of applicable state codes as appropriate. Consistency of the proposed new Element versus other existing General Plan elements shall be reviewed prior to adoption.

Responsible Department: Planning Commission

Timeline: Annually

13. Public Participation

Findings: The California Government Code requires that the City "make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element." In the current revision, this has been accomplished through public notification. Workshop discussion and public hearings in the adoption process.

Objective HO-13: That every interested resident of Mount Shasta is made aware of the Housing Element preparation process and has an opportunity for meaningful participation in the process.

Program HO-13.1: Repeat and/or expand public notification and discussion opportunities during future Housing Element revision.

Responsible Department: City Administrator

Timeline: Annual if required

C. Housing needs analysis

1. Definition of Income Groups

Income definitions by state and federal agencies involved in housing are based on the County median income. The Siskiyou County median family income as established in May 1992 is \$31,500.

Table W Distribution income			
Income Group	%of Median	Income limit	% of Population
Very low	Under 50%	\$15,750	21%
Other lower	50-80%	\$25,200	16%
Moderate	80-120%	\$37,800	26%
Above moderate	Over 120%	N/A	37%

Household income is stratified into four groups on the basis of median income for the purpose of housing program administration and planning:

The percentage of the population in each income category was established for Mount Shasta in the "Siskiyou County Housing Needs Plan" (HCD, 1992), based on 1990 census data. These percentages are shown in the above table.

2. Basic Construction Needs

Mount Shasta's projected housing needs are based on the anticipated number of new households, which is in turn based on population growth of 2.0% per year. This population growth rate is selected for Housing Element Planning purposes as being a relatively strong growth rate, reflective of population trends over the last 10 years which are highly likely to occur. The 2.0% also closely parallels the growth rate in the Regional Share tables. No significant influence of major new industry on population growth is assumed at this time. Based on the 1990 population of 3460, projected housing needs through the end of the five-year planning period (1997) would amount to about 170 units, based on the 1990 census fixed occupancy rate for occupied units of 2.27 persons/unit.

Previous estimates of the City's population have been greater than actual. In the previous Housing Element the 1988 population was estimated at 3,487 which is 27 persons greater than the 1990 Census count of 3,460. The lower "actual" figure can be partially accounted for in .25+person/household drop over the past 10 years. Dilapidation, fire and other forms of removal from the housing stock are not significant in Mount Shasta and are not accounted for in projecting future housing needs.

3. Fulfillment of Regional Share Needs

A "regional share" allocation was prepared for the Siskiyou Association of Government Entities (SAGE) by the state Department of Housing and Community Development (HCD) in March, 1992. Housing development objectives were established for the County as a whole, as well as for the various incorporated cities including Mount Shasta: these objectives were established for the 6-1/2 year period from 1991 to July 15, 1997. The allocations for the City of Mount Shasta, expressed in terms of projected new households and construction to meet these needs are shown below.

Table X: Regional Fair Share Housing - 1991-1997²⁰

Income Group	Regional share	% of total
Very low	59	21
Other lower	45	16
Moderate	75	26
Above moderate	106	37

Table Y: Housing unit construction goals

Housing Unit Goals - 1993-1997		
Housing Type	Objective	% of Total
Single-Family Residential (market)	97	54
Multi-Family Residential (market)	11	6
Senior Citizens Housing	43	24
Low/Moderate-Income Housing	27	15
Second Units	2	1

4. Cost of Housing and Ability to Pay

"Ability to pay" for rental housing is usually defined as whether rental rates for available housing are less than 25 or 30% of a household's income. This was analyzed for Mount Shasta using rental cost statistics, median County income and income distributions reported in the 1989-90 HUD projections.

Based on census data, 30% of the maximum monthly income in the "very low-" income group (or their "ability to pay") in 1989-90 was less than \$335. The median gross

rent for Mount Shasta of \$312 was within the "ability to pay" range for all of these households.

Today, the "affordable" rent for the moderate households would be about \$804; Thus affordable housing needs of this group are probably met by market-rate housing.

In "other lower-" income households, 30% of the monthly income in 1989-90 ranged between \$336 and \$536. The median gross rent of \$312 was below this range. Thus, the rental needs of this group were largely met by market rate housing in 1980.

City and GNC staff believe the escalation of rents over the past few years is placing the supply well below the demand and decreasing the amount of affordable housing for the very-low and other-low groups. Thus, portions of the "other lower." income group has housing needs will not met in the housing market. It is believed that the growing number of retirees coming into the area are taking up the affordable housing as fast as it becomes available.

In 1980, 30% of a "moderate." income household's monthly income ranged between \$1,786 and \$2,680. The median gross rent in 1990 was \$312, and nearly 92% of the reported rents at the census were less than \$450; 58% were less than \$350. Today, 30% of a moderate income would be approximately \$804; based on review of advertised market-rental rates, it appears most rentals are priced around \$425. The rental needs of the moderate-income group are being met by market-rate housing; full availability of rental housing to the "above moderate-" group is assumed.

Mount Shasta has seen significant construction of rental housing addressing low- and moderate-income housing needs over the last few years. Construction has far exceeded the objectives of both the Housing Element and the "regional share" plan prepared by HCD. A total of 107 units for tenancy by low- and moderate-income households were constructed, including 65 senior units. About 72% of these units are occupied by "very low-" income tenants, 20% by "other lower-" income tenants and the remainder by "moderate-" income tenants.

Table y.1 Tenure characteristics for Elderly and Large households

Household Type	Owner	Renter	Total
Total	774	733	1507
Head 65+	233	162	395
% 65+	30%	22%	26%
Large Family	64	39	103
% Large	8%	5%	7%
Over-crowded	20	21	41
% Over-crowded	3%	3%	3%

B. Home ownership Affordability

Home ownership, particularly for lower-income households is normally dependent on lending institutions for support; thus, lending practice is a key aspect of "affordability." The availability of purchase capital is based on the buyer's income (ability to pay) as well as the significance of his or her other debt load. Assessment of "affordability" for purposes of the Housing Element was based on two lending guidelines in use today, although both factors may become more flexible depending on the size of the down payment.

- ◆ Purchase price should normally not exceed three times the verifiable gross annual income of the buyer.
- ◆ Mortgage-related costs (PITI) should be 29% or less of the gross income for a household with a "normal" other debt" load.

The lending criteria by nature tend to make home loans more inaccessible to low income households. This is due to difficulties in accumulating large down payments in an escalating real estate market and often-higher debt ratios.

Pricing and availability of for-sale housing in Mount Shasta is illustrated in the following table, which summarizes Mount Shasta area housing sales for 24 months in 1990 and 1981 (Mount Shasta City Board of Realtors records).

The above 2 year period in total is 39 less housing units less than in the previous 12 months. When compared to the previous Planning Period reported year 1988-1989) the average of the past two years represents a drop in sales of over 56%. The reduction in sales occurs over the entire range with the largest drop occurring in the high end of the scale.

In discussion with local Realtors the Mount Shasta real estate market was described as "flat." Selection in for-sale housing is routinely described as "limited."

Table Z 1990 and 1991 Housing sales						
Price range (000)	Total	Number of bedrooms				
		1	2	3	4	5
30-39	0.00					
40-49	5	3	2			
50-59	11		8	3		
60-69	17	2	9	6		
70-79	20	2	15	3		
80-89	12		2	8	2	
90-99	19			19		
100-119	7		2	5		
120-139	3			3		
140+	3			3		
Totals	97	5	25	62	5	0.00

"Very low-" income households are generally unable to purchase housing on the normal market as their range of affordability extends only to a maximum purchase price of about \$40,200. The Mount Shasta housing market has little-to-no housing in this range as illustrated in the above table; Home ownership is essentially unavailable to this group.

The affordability range for "other lower-" income households ranges up to \$64,230. Availability in this range is also limited, although some units are available. As real estate values increase, the availability of for-sale housing to this group will likely decline and may ultimately disappear.

"Moderate-" income households can afford homes priced up to about \$64,230. Availability in this range is also limited, although some units are available. As real estate values increase, the availability of for-sale housing to this group will likely decline and may ultimately disappear.

"Moderate-" income households can afford homes priced up to about \$96,480, and availability is fair in this range. With continuing escalation of real estate values, these opportunities may be contracted. In the "above moderate-" income group, for-sale housing is, and is expected to continue to be, generally available.

Limited assisted is available to lower-income home buyers through the FmHA Rural Housing Program, which provides mortgage subsidies to qualifying buyers. Costs to FmHA are recovered out of sale of the property. The program is restricted to the upper end of the "other lower-" income group and households with "moderate-" incomes;

funding is limited at this time. Some local contractors indicate that the future outlook for this program is bleak. A local chapter of Habitat for Humanity has been established to promote "self-help" home construction.

5. Rehabilitation Needs

Unlike many other Siskiyou County cities, and in spite of a largely older housing stock, Mount Shasta has relatively low rehabilitation needs. This may be due in part to a more robust economy as well as past code enforcement efforts. Older portions of the City have been substantially upgraded over the last few years.

Five (5) existing housing units in Mount Shasta are in need of rehabilitation were as identified by City staff based on visual observations. These substandard units are typically older homes which have not been maintained over the years; some lack foundations. Of these, two or three are marginally suitable for habitation while the remainder need foundations and repairs of dry rot and roofs. Most could be brought into code conformance with minor repairs and maintenance. For the most part, these units are scattered throughout the various neighborhoods of the City.

In addition to these more obvious rehabilitation needs are the number of older housing units, more than 451 of which were constructed prior to state energy regulations. Most, if not all, of these units were constructed without modern insulation or other energy efficiency. This can be troublesome for lower-income households faced with significant utility bills during the colder winter months.

The Great Northern Corporation operates a "weatherization" program for lower-income homeowners which provides low-interest loans of up to \$1,000 for the installation of weather stripping, storm windows, insulation and other energy conserving features.

6. Overcrowding

Overcrowding is defined as 1.01 or more persons per room. The 1984 Housing Element cited an overall bedroom occupancy rate of 0.89 persons/bedroom. Census data indicated a total of 34 units housed 1.01 or more persons per room (about 3.0% of the occupied housing at the time); 20 of these units were renter-occupied. Based on these rates, about 50 units would be overcrowded today. This is considered a minor overcrowding problem. Most of the identified overcrowding was located in the Mill/Berry Street neighborhood, identified in the 1984 Housing Element as a "Housing Conservation Area." Overcrowding, as defined, occurs in all housing size ranges.

7. Special Housing Needs

a. Senior Housing

Census demographics indicate that seniors constitute about 15.6% of the general population of Mount Shasta, or about 540 persons today (up 1.4% from the 1980 census). Assuming a straight relationship to population, this would involve a near-poverty population of about 150 persons. The 1984 Housing Element identified a need for 24 subsidized senior units. Construction since its adoption has generated nearly three times this many units.

Senior Citizens indicate that housing was generally available, but that ever-increasing costs versus fixed incomes makes clean, affordable housing more and more difficult to obtain and/or retain.

Siskiyou County has identifying needs of the handicapped, including the visually and speech-impaired, and developmentally disabled, those with orthopedic disabilities (mostly elderly). And those suffering from psychological and substance abuse and other difficulties. The study indicates that over 1,300 handicapped persons reside in Siskiyou County; about 400 of these are located in the "south County", while an estimated 60-70% reside in the Mount Shasta area.

The group is economically stratified, either "well off" or quite disadvantaged. Special costs of lifestyle maintenance for handicapped persons (e.g., wheelchairs) can make difficult conditions worse. With specific regard to housing, the contractor projects constructed during the previous planning period provided housing for the handicapped as well as lower income and seniors. Access to housing units and common areas, even within subsidized projects, is poor. Due to Mount Shasta's hillside location private housing is frequently situated poorly for handicapped access. Access problems also extend to interior design with inadequate door widths and other inadequacies resulting from designer lack of experience.

b. Large Families

Mount Shasta has a relatively low proportion of large households (defined here as five or more persons). In 1990, 1.8% of the households were within this group. A corresponding 3.0% of the housing stock in 1980 consisted of units with five or more bedrooms. In terms of both magnitude of demand and housing supply versus demand, Mount Shasta appears to have no significant large-family housing problem.

Table Tenure Characteristics for Elderly and Large Households and Overcrowding

Household Type	Owner	Renter	Total
Total	774	733	1507
Head 65+	233	162	395
% 65+	30%	22%	26%
Large Family	64	39	103
% Large	8%	5%	7%
Over-crowded	20	21	41
% Over-crowded	3%	3%	3%

c. Farmworkers

Mount Shasta has no significant farm worker population; agricultural operations in the City vicinity include a few small cattle ranching operations, this type of agriculture is typical for Siskiyou County as a whole. The Siskiyou County Housing Element found that "there are relatively few seasonal farmworkers in the County due to the lack of labor-intensive types of agriculture." There is no definable distinct need for farm worker housing in Mount Shasta.

d. Female-headed and Single-Parent Families

Female-headed families constituted about 13.9% of total families reported in 1990. It is estimated that about a third (34%) of the female-headed households had below-poverty level incomes. Approximately 3.0% of the total families were single male headed households.

Housing needs of lower-income single-parent households can be more acute than those of other lower-income households. Both male- and female-headed single-parent households are subject to child day care costs in order to allow the household head to work. In the lower income strata, day care costs can be a significant proportion of disposable income. Thus, single-parent households are more disadvantaged than other low-income families.

e. Homelessness

Homelessness in Mount Shasta is extremely low; although no agency maintains a statistical record, contacts with agencies and organizations involved in meeting needs of the homeless indicate that, County wide. "Applications" for homeless support are received daily. Likely, winter weather conditions have much to do with this. The homeless are typically jobless, one-parent families or "abuse" relocations. Emergency

overnight accommodations are funded by the below-described agencies and adequately provided at local motels.

Assistance to the homeless is provided by several agencies and organizations including:

- ◆ County Welfare Department, which provides emergency funding for overnight accommodations and on a longer-term basis, AFDC for qualifying families.
- ◆ Great Northern Corporation, which operates a "last month's rent and deposit" assistance program to get homeless people established in permanent housing.
- ◆ Mount Shasta Ministerial Association, which provides emergency funding for overnight accommodations, food and clothing to needy families. Contacts with these agencies indicate that homeless needs are adequately met by existing programs at present.

D. LAND INVENTORY

The current boundaries of The City of Mount Shasta encompass nearly 2,180 acres of vacant land, over 836 acres of which are currently designated and useable for residential purposes. Existing residential development capacity, pursuant to existing General Plan and zoning designations, totals about 3902 dwelling units and well over 1,000 in the Sphere of Influence. Of the total capacity, about 77% is for Multi-family Use: about 1,733 units of multi-family capacity remains available. A more than sufficient capacity of developable land exists to support overall housing objectives for the planning period.

More than sufficient housing capacity would also be provided by the proposed Land Use Element, of the General Plan revision. As General Plan Table 2.4 indicates, proposed designations would allocate about 5,521 acres for residential use, located both inside and outside the City limits, and would establish capacity for all residential development expected within the planning period.

This inventory is also applicable to sites for factory-built and mobile homes which, as required the City allows to be placed in residential zones.

The inventory accounts for physical or environmental constraints and does not include in the calculations undevelopable steep areas, lands classified as wetlands and lands subject to other constraints. Commercial and industrial lands which would in certain instances also support residential uses are also not counted in the inventory even though these could involve additional residential capacity. Neither does the inventory account for potential development capacity under density bonus provisions of state planning law. Thus, the inventory is conservative with respect to the City's capacity for housing development.

For the purposes of discussion, the City is divided into the "town proper," the East side including both incorporated and unincorporated lands east of the town proper and the Springhill Area, which lies north of the town proper and Spring Hill the landform.

Within the town proper, there are generally no significant constraints to residential development (other than wetlands, which are accounted for) on vacant lands. These sites are served by existing sewer, water and storm drainage systems, and adequate capacity is available in these systems in order to accommodate most anticipated development. No specific constraints have been identified by staff.

The Springhill Area previously had constraints on development, however, the sanitary sewers have been extended to the area and the water system is currently in the design phase.

Development in the unincorporated East side area (single-family residential development) will first depend on annexation: even when incorporated, however, development will be constrained by limitations of existing City water, sewer and storm drain system. Because the systems were constructed to serve the town proper sewer line size, water system pressure and storm drain size are limited near the eastern City limits. Development to the east will require substantial off-site City approvals. In review of a recent development proposal, a variety of impact-reducing options were discussed, including on-site storm water retention and actions for selective sewer and water system improvements.

City of Mt Shasta sewage collection system and sewage treatment facilities are in violation of the Regional Water Quality Control Board Cease and Desist raw sewage discharge enforcement action. The City is taking positive action to alleviate the enforcement action. The City has initiated expansion plans in advance of exceeding the threshold of capacity. The City is prepared to meet the housing development anticipated, at historic rates, in this Element as well as demands originating from housing development in the unincorporated area out of existing capacity. The City intends to have needed plant improvement on-line well in advance of the future additional needs. Although even the town proper contains sufficient lands to meet total construction needs for the planning period, action is needed to prepare sites adequate to meet actual housing needs

Zoning/Permitted housing type	Number of Usuable Acres	Density Range (Units/Acre)	Avail. Of Services & Facilities	Unit Capacity
SF - R-1 (Low)	161	7.26	Yes	1,169
R-Z (Med)	53.13	14.5	Yes	772
R-3 (High)	6.5	21.78	Yes	144
R-4	37.52	21.78	Yes	817

Approximately two thirds of all available lots either have all City services available or easily available so that extending service into those areas should not appreciably raise the cost of those lots. The City intends to apply for a housing rehabilitation program in 1999 and will use the 10% infrastructure setaside to further extend service where appropriate.

1. Governmental constraints

Although principal influences on housing development and maintenance are related to outside demand and cost-of-money influences, the City, state and county agencies can influence the ease and cost of developing housing, thereby influencing the amount and type of housing developed in the community. Beyond the general questions of [policy addressed in the Element, the City's land use and building controls, improvement requirements and fee structure can all influence the provision of housing. These influences are addressed below.

2. Land Use Controls

The City's basic influence over building is the building permit, required for all new construction and remodeling. Where no other planning or zoning approval is required, building permits are normally issued within a few days of plan submittal. Plan-check time has not been a significant source of complaint.

Building-related improvements, even where substantial, are usually handled efficiently. Both City Building and Public Works officials concentrate on appropriate improvement requirements and the City commonly works cooperatively with builders to complete the improvements, even to the extent of providing City crews and/or contractors to complete improvements at the builder's cost.

In addition to building permits, multi-family projects require architectural review in accordance with the Design Review ordinance and design guidelines adopted by resolution. The ordinance and guidelines are oriented toward compliance with the City's adopted "mountain Village" theme. Under the ordinance and guidelines, the Planning Commission may interpret these documents and require design changes as appropriate to fulfill the purposes of the ordinance and guidelines. While some complaints have been received since the adoption of the architectural requirements, the regulation is not considered onerous. Implementation authority was recently transferred to the Planning Commission to ensure that architectural review decisions are made in the context of larger community needs.

Time required for architectural review varies from a minimum of 30 days for applications submitted prior to the monthly cutoff to about 60 days.

The City provides a limited option for flexibility in residential project design through its "Optional Design" zoning. The zoning is similar to the more commonly known "planned development." allows for limited flexibility in site design and improvement standards. Density transfer options are being discussed as part of the

current General Plan revision. Utilization of these types of options can be improved by the planned amendment to the zoning ordinance which reflects current planning practices and simplifies the approval process.

Land subdivision under the State Subdivision Map Act is an essential element of providing additional sites for housing and is regulated under the City's Subdivision Ordinance. Parcel Map subdivisions are routinely processed by the City in two to four weeks. Processing time for Final Map subdivisions may require significantly more time, largely due to the CDQA process, described below, and submission of required drawings, specifications and title documents and bonds. Absent environmental problems, and prompt filing of documents the processing time can approach that for Parcel Maps.

Like all California cities and counties, Mount Shasta implements the California Environmental Quality Act (CEQA). The City staff endeavors to complete environmental reviews of all projects expediently, using exemptions. Negative Declarations and mitigated Negative Declarations where applicable and allowed by law. The City functions within the time framework established by the Permit Streamlining Act at all times, completing environmental and project reviews within established time limits.

3. Building Codes and Enforcement

The Mount Shasta Building Department enforces the provisions of the Uniform Building Code (UBC). The Mount Shasta Municipal Code includes no special requirements related to building permits other than site improvement requirements discussed below. The building official is not involved in any special code enforcement activities.

4. Site Improvements, Fees and Exactions

Site improvements required by the City for housing projects are generally limited to City standard streets (50-foot improvement width, for pavement, curb, gutter and sidewalk, within a 60-foot right-of-way required for snow removal and storage). On-street parking is allowed, except for snow removal period as well as off-street parking, generally one covered and one uncovered space per residential unit. Street standards need to be met on-site for multi-family projects and standards may be reduced under the City's Optional Design zoning regulations provided that snow removal and storage needs are met. The City's Subdivision ordinance specifically allows the City Council to grant exceptions to street improvements where justified, and specific reduction allowances are made for hillside subdivisions.

Reductions in parking requirements may be, and have been, granted for projects in which reduced need is demonstrated. Based on survey data showing a much lower-than normal parking rate for seniors, parking requirements for Senior Citizen projects in the past have been granted reductions in the required parking to one space per unit.

The City's planning permit fees are minimal and cover the processing costs or actual preparation costs as with environmental impact reports. The City also collects fees for processing costs by other agencies the state annexation fees. City fees range from \$50 to \$400. City fees have not constituted a constraint on housing. A check with other agencies indicates that the City fees are comparable to those of most other jurisdictions in the Northern State.

At present, the City does not have mitigation fees in place. Traffic mitigation fees are being considered, if adopted mitigation fees could occur within the planning period. Without a specific proposal, no specific problems with respect to housing can be identified. If mitigation fees are adopted and the cost of housing is not considered, they could be an inhibiting factor in the development of housing.

The City imposes demand-based fees for sewer, water and storm drain service on all development. Sewer and water fees are assessed on the basis of "Household Equivalents" (HE), where a single-family unit equals one HE and a multi-family unit about 0.6 HE.

These fees represent each development's contribution to anticipated capital improvement costs on an HE basis. Currently these fees are:

Sewer	2,420
Water	\$500

Connection fees are negotiable if the developer makes other contributions to the sewer or water system, providing tangible improvements in-lieu of fees. Drainage fees range from \$100 for a single family residence to \$188 for a fourplex.

Permit fees paid recently for a lower income residence of 1,104 square feet with a 350 square foot garage valued for construction at \$44,400 are as follows:

All City permit building Inspection fees	\$480
State mandated fees, seismic, and meter	49
School District Fees (\$1.65/sq ft)	1,821

City fees are less and comparable to connection fees in other cities. The City does not control or have input into the fees charged by other public agencies such as the schools or state.

The City anticipates increasing its water fees in the near future due increased costs in construction and delivery of water. The fees will likely be escalated into the typical range of fees for other cities and will not be significant constraint on housing. The City also anticipates the development of a citywide drainage master plan which will likely result in the imposition of higher storm drainage fees than currently exist. The impacts of these fees on housing development, particularly for low- and moderate-income families, should be considered.

Parkland dedication/in-lieu fees are required in residential subdivisions. The fees, prior to the adoption of the fees the City considered the effect of the fees on low- and moderate-income households and determined that the fees would not be a significant constraint to housing.

E. Non-governmental constraints

1. Environmental Features

The core area of Mount Shasta, and the location for many multi-family units, was centered on a wetland area. Housing development in wetland areas is constrained by the physical limitations of these lands as well as by permitting constraints. Areas subject to wetland constraints are shown on Figure 18 on page 94.*19

Wetland constraints are largely confined to the core area and area between Nixon Road and I-5. Wetland constraints affect a great deal of multi-family and single-family-designated lands within the "town proper." Although these constraints are significant for the affected lands, sufficient non-constrained lands are available to support identified housing needs. Development of wetlands involves additional site preparation (fill, pilings etc.) In order to provide a suitable foundation for housing, and all wetland development is under the permitting jurisdiction of the Army Corps of Engineers. Most wetland development involving less than one acre of disturbance has been permitted under a Nationwide Permit. Federal agencies have become more sensitive to wetland issues and the cumulative effects of small developments. Thus they are restrictive in the permitting requirements pending adoption of area Special Area Management Plan (refer to Open Space and Conservation Element V.A.1.d on page 92).

There are no other significant environmental constraints to housing. Mount Shasta city is not subject to significant flooding. The City is sensitive to its geology and volcanic environment.

2. Availability of Financing

Conventional fixed-rate financing is available to qualifying buyers at interest rates of between 8-5/8% and 9%. Adjustable-rate mortgages are also available, starting at 6-1/4%. Professionals state that rates were recently lowered to help the economic recovery and will likely rise to previous levels. The City has received no reports of discriminatory lending practices, and contacts in the real estate and lending industries have not reported any knowledge of any lending practice which would exclude lower-income or other disadvantaged home buyers on any basis except basic qualification factors.

Home ownership options for lower-income households, as noted in VIII.C.4, are more limited due to difficulties in qualifying for loans. Mortgage subsidies for qualifying households are available to lower-income buyers through the Farmer's Home Administration {FmHA} Rural Housing Program. Program costs are recovered at the

time of sale. Local contractors involved in the program indicate that the short-term availability of funds will be extremely limited.

Additional low-cost financing is available to lower-income homeowners for weatherization and to seniors for general rehabilitation through the Great Northern Corporation. General rehabilitation financing for lower-income households can be obtained through the Community Development Block Grant program; however, the City has not qualified for this type of funding in the past.

3. Land Cost

Ready-for-construction residential lots with City street, water and sewer service are relatively available but are becoming expensive. Prices range from \$20,000 upward to \$50,000 for single-family lots. Duplex to fourplex lots range in price from \$33,000 to \$50,000, depending on size and location. Undeveloped raw land prices currently vary between \$21,000 and \$37,000 per acre. Land prices are generally well below those in other portions of the state. Land prices are consistent with the general cost of housing and do not constitute any significant constraint on the development of housing.

4. Construction Costs

Other than wetland constraints identified above, there are no identified constraints on housing construction due to construction costs. Unit costs are generally below costs for the state as a whole.

The local contractor pool is generally adequate to meet construction needs. Contractors from the larger Redding area commonly work in Siskiyou county.

5. Energy conservation

In a mountain climate like Mount Shasta's, energy costs and conservation are important housing issues. Energy costs, particularly during the late fall, winter and early spring months, can be significant even in homes with modern energy conservation features. However, the majority of Mount Shasta's housing stock (nearly 52.6%) was constructed prior to the incorporation of energy conservation standards in building codes, and most of these homes likely do not have many energy conservation features. For lower-income households in particular, energy costs may be significant.

Many homes and apartment have had significant energy conservation improvements over the last 15 years. Of these, about 60 have been improved under the Great Northern Corporation's (GNC) "weatherization" program. Weatherization applications (from lower-income and qualifying senior households) have been concentrated in the Mill/Berry Street, Sheldon/Perry/South Washington Street and Spring Street neighborhoods. Additional weatherization needs for moderate- and above moderate- income households are present in the pre-1970 City neighborhoods, notably "the tract" and residential areas east of South Mount Shasta Boulevard.

Promotion of energy conservation is accomplished by active enforcement of state energy conservation requirements for both new construction and remodeling permits. Energy efficiency is further addressed on multi-family residential developments during the design review process; this input occurs on an informal basis but contributes to overall energy efficiency.

Consideration of energy conservation is also required by the Subdivision Map Act, which requires that subdivisions consider the potential for building siting to take advantage of passive solar opportunities (e.g. orienting lots so that buildings can have significant southern exposure). Findings of consistency with this requirement are required at the time of Tentative Map approval. Continuing access to solar energy could be guaranteed by adoption of a solar access ordinance.

Additional energy conservation can be achieved by concentrating new residential development in closer proximity to commercial areas and other destinations. The Land Use Map designations would concentrate high-density residential areas immediately adjacent to existing and proposed commercial areas, and General Plan policies favor the incorporation of second-floor-and-above residential uses in the CBD as a means of promoting pedestrian traffic. There is not a significant number of parcels that could be changed from present uses to residential.

F. Review of previous housing element

The City's previous Housing element was adopted by the City Council on December 20, 1990 (Resolution CCR-90-95) after review and comment by the state Department of Housing and Community Development (HCD) and incorporation of these comments in the Element. The effectiveness and progress in implementation of the Element are described in the following review of objectives, policies and the principal points in the Housing Program.

The City played an active role in the provision of low- and moderate-income housing in Mount Shasta in the ensuing period. Low- and moderate-income housing was authorized through the election process, and incentives were provided to encourage its development. The following projects were developed.

The overall objective of "adequate provision of housing for all income groups" was met in that housing development goals for low- and moderate-income persons were exceeded by a factor of 2. Although rental housing continues to be in short supply. Comprehensive measures for "conserving" Mount Shasta's housing stock were not developed. While Mount Shasta's rehabilitation need is not large, the major barrier to City rehabilitation activity was the lack of ability to acquire housing rehabilitation funds.

The City has not needed to make a major effort in the elimination of discrimination in housing. The evidence of the need for such efforts declined since the

adoption of previous Housing Elements. The City will continue to monitor and respond to any complaints regarding discrimination in housing.

The housing program described in the 1990 Housing Element encompassed the five-year period 1988-1992, although the "regional needs" plan extended through 1991. Performance on the housing program is described for each principal part of the housing program for the applicable period.

Housing for All Economic Segments: Within the 1988-1992 period, single-family homes, senior citizens and low/moderate-income objectives were met by a factor of two. Market-rate multi-family projects fell below objectives. As a result of nationwide recession and depressed housing industry, further heavy multi-family construction activity in the low/moderate-income and senior groups met the demand. A 30-unit townhouse project was constructed during the period.

Second Units: A second-unit ordinance was passed. But, little interest in under this ordinance has occurred. City staff indicates that very few applications have been filed for these units, rather than constraints on their development.

Very low-other lower-, and some moderate-income regional share needs are being met in subsidized units constructed during the 1984-1998 period; figures shown are based on existing occupancy and developed from contact with managers of subsidized housing projects.

Consider Housing Costs in General Plan and Zoning Decisions: Increase density, as denoted in the general Plan, as an incentive to developers of low/moderate-income housing. Adequate land exists for higher densities as a result the City has had no recent housing-related General Plan or zoning change requests.

Assistance to Low/Moderate-Income housing developers: The City provides continuing assistance and cooperates with developers in obtaining state and federal funds. A City-sponsored election in 1984 resulted in voter approval of the construction of 88 senior and low/moderate-income multi-family units.

Density bonus: The City complies with Government Code Section 65915. The City has not received any applications for this type of development. Previously completed low/moderate-income, projects were consistent with allowable densities.

Parking and Other Improvement Standard Reduction: Parking requirements were reduced for senior housing on the basis of reduced necessity. Other parking reductions can be made where justified. The City provides for potential reduction of improvement standards for housing and subdivisions through the following:

- ◆ Subdivision Ordinance allows the City Council to grant exceptions to all improvement requirements, as appropriate.

- ◆ In addition to the variance process, "Optional Design" is provided in the Zoning ordinance to provide for flexibility in subdivision and housing design.
- ◆ Planning Commission and Council may both interpret the City's improvement standards in the review of site development plans.

Condominium Conversion: Although allowable, no requests have been filed. The City contains practically no housing which would be suitable for condo conversion, housing is limited to isolated 3- and 4-plexes, nor has any such housing been constructed since 1984.

Section 8 Rental Assistance: The City is not actively involved in the Section 8 program, which is administered by the state HCD and locally by the Great Northern Corporation. There are about 130 Section 8 vouchers and certificates in Siskiyou County. Thirty are located in the Mount Shasta area.

Reduce Construction Costs: The Subdivision Ordinance is currently being updated to include current Map Act provisions. Applicants will not experience any significant delays as a result of the revision. Relief from improvement standards is provided where appropriate, and staff often suggest design changes, using allowable flexibility, in order to reduce unnecessary construction costs or meet other community goals.

Other construction-related ordinances are being continuously being reviewed, and revised to include state law changes. No significant impediments to housing development were identified to date. City ordinances, regulations and operations are oriented toward facilitating housing development. In addition to modification of improvement standards, application fees are held to a minimum and sewer and water hookup fees are held to a level necessary to meet anticipated improvement needs. The flexibility to adjust requirements for a specific project of benefit to the community is readily available.

Early identification of Housing Needs: Conceived when the City anticipated a major new employer, the need for implementation dissolved with the project and is not expected to recur.

G. Housing conservation

Assist in obtaining CDBG Funds: The City applied in 1984-86 for CDBG funds for sewer and water improvements and fire-fighting equipment with no success. The great Northern Corporation, handles housing grant administration for the City.

Code Enforcement: The City provides continuing code enforcement in new construction: free inspections of existing structures is provided when requested or as a complaint.

Promote Family Housing: The City has continued to encourage both low/moderate income and market-rate multi-family developers to orient units toward family occupancy. Unmet needs from the previous Housing Elements are limited. Regional share low-income housing needs have been met through 1992. The City has performed adequately on most specific programs. Other construction needs are, of course, identified in this Element, and appropriate provisions from the previous Housing Element are carried over into the present document.

Housing Conservation Areas: These areas were designated in the Housing Element and have received consideration in allocation of capital improvements. Public improvements in designated areas have been minimal. The Mill/Berry Street neighborhood has received drainage, curb and gutter improvements, and the City has participated in sidewalk improvements adjacent to another designated area that was privately rehabilitated. No significant general funds have been available for direction to these areas. The GNC has performed a number of grant-funded weatherization projects in the Mill/Berry Street neighborhood.

The City will consider submitting an application for a CDBG grant during the next cycle to help in meeting the City's limited housing rehabilitation needs. Grant funding, if received, will be applied within one or more of the previously identified Housing Conservation Areas.

H. Preservation of assisted housing

The government code requires that each city and county adopt an analysis and program for the preservation of assisted housing. The Analysis and program is for a ten-year period and is to include the following elements:

- ◆ An inventory of units at risk of losing use restriction
- ◆ Cost analysis of preserving at-risk units versus replacing them
- ◆ Nonprofit entities capable of acquiring and managing at-risk projects
- ◆ Potential preservation financing sources
- ◆ Number of at-risk projects/units to be preserved
- ◆ Efforts to preserve units at risk of losing restrictions

The following is a partial list of programs:

- ◆ HUD programs
 - Section 8 Lower-Income Rental Assistance
 - Section 101 Rent Supplements
 - Section 202 Direct Loans for Elderly or Handicapped
 - Section 213 Cooperative Housing Insurance
 - Section 221 (d)(3) Below-Market-Interest-Rate Mortgage Insurance
- Program
- ◆ FmHA Section 515 Rural Rental Housing Loans
- ◆ State and Local multi-family revenue bond programs

- ◆ Redevelopment programs
- ◆ Local in-lieu fee programs or inclusionary programs
- ◆ Developments which obtained a density bonus and direct government assistance pursuant to Government Code Section 65916.

1. Assisted Units At-Risk of Conversion

The following two projects were identified:

There are two "Assisted Unit" projects in the city of Mount Shasta. Alder Gardens and President George Washington Manor could become at-risk during the analysis period.

- ◆ Alder Gardens, a HUD assisted, Section 236 project could be eligible for conversion of use restrictions during the first 5 years of the 10 year analysis period.
- ◆ President George Washington Manor, a Section 8 project has termination dated within the second 5 year period.

The two identified projects which could become at-risk during the analysis period have mortgage-based use restrictions requiring retention of low-and moderate-income character for the remaining term of the mortgage.

Total number of elderly and non elderly units that could be lost form low-income housing stock during each 5 years of the analysis period.

Project (total units in project)	Type of Units	
	Elderly	Non elderly
1st five year period - July 1, 1992 to July 1, 1997		
Alder Gardens, February 1996 (28 units)	9	19
2nd five year period - July 1, 1997 to July 1, 2002		
President George Washington Manor, June, 2001 (39units) 39		0
Total number of units during 10 year analysis (67)	48	19

2. Estimated total cost of producing new rental housing that is comparable in size and rent levels to replace the units that could change from low-income use, and estimated cost of preserving the existing assisted units

a. Estimated cost of replacing the existing units ---new construction

Cost to replace units - 1st five year period - July 1, 1992 to July 1, 1997

Estimated cost of replacing 28 rental housing units with new units comparable in size and rent levels (1002 dollars)

Land	\$65,000
Improvements	\$1,457,200
Contingencies	\$145,700
TOTAL	\$1,667,900

Cost to replace units - 2nd five year period - July 1, 1997 to July 1, 2002

Estimated cost of replacing 39 rental housing units with new units comparable in size and rent levels (1992 dollars).

Land	\$85,000
Improvements	\$1,969,200
Contingencies	\$196,900
TOTAL	\$2,251,100

**b. ESTIMATED COST OF PRESERVING THE EXISTING UNITS--
ACQUISITION**

Cost to preserve units - 1st five year period - July 1, 1992 to July 1, 1997: The market value of the project, based on sales of comparable facilities in the area, would be approximately \$1,500,000 in 1992 dollars.

Cost to preserve units - 2nd five year period - July 1, 1997 to July 1, 2002: The market value of the project, based on sales of comparable facilities in the area, would be approximately \$2,750,000 in 1992 dollars.

C. Estimated cost of preserving the existing units, rehabilitation, and/or conservation

At present there is not an adequate supply of apartment units to meet the existing demand. Nor are there any projects of the same size as the identified units. Rehab and conversion of existing units could decrease the moderate-income units in the city as well as displace low-income persons using Section 8 vouchers.

As the date for the first possible conversion approaches the City will investigate availability of units that can be converted or rehabilitated and funding. If notice is received of the filing of any request with FmHA or Notices of Intent with HUD to terminate a subsidy contract, prepay a mortgage or otherwise terminate use restrictions prior to the termination date City will immediately respond. The City will identify available units and explore sources of grants and available funds.

3. Public and nonprofit corporations known to the City that have legal and managerial capacity to acquire and manage housing developments

The Great Northern Corporation, a nonprofit corporation, located in Weed CA, has demonstrated experience, in acquiring grants and manage housing programs. ESKATON, the current owner of the President George Washington Manor, has the experience and ability to develop and manage projects. Public Agencies, Siskiyou

County does not have a County wide Housing Authority. The City of Mount Shasta does not have a housing authority, housing office or housing program.

4. Identification and consideration of the use of federal, state and local financing, for preservation of assisted units

a. Federal Funds

Community Development Block Grants (CDBG) - The City of Mount Shasta has not been successful in it's application for CDBG funds. The Great Northern Corporation has been successful in acquiring funds under the CDBG program.

HOME Investment Partnership Program - Upon receipt of the Notice of Funding Availability (NOFA) from the State the city will investigate the possibility of its use by the City for possible implementing of programs in the future as projects become at risk and notice is received of the filing of any request with FmHA or Notices of Intent with HUD to terminate a subsidy contract, prepay a mortgage or otherwise terminate use restrictions.

b. Local Funding Sources

Community Redevelopment tax increment funds - The City does not have a Redevelopment agency or program.

Administrative fees received by a Housing Authority - Siskiyou County does not have a County wide Housing Authority.

The City of Mount Shasta does not have a housing authority.

Other Local Funds - There are no funds within the City budget that can be transferred to housing programs without affecting police protection, fire protection and other vital city services.

Subsidy Programs - The City does not administer housing subsidy programs but cooperates with The Great Northern Corporation in their programs.

5. Housing Programs

Program HO-3.1: Encouragement and Coordination. The City will assist private and non-profit organizations in the development of low- and moderate-income housing where such development does not conflict with other policies and provisions of the General Plan and City ordinances. Assistance will include; maintenance of relationships with funding and facilitating agencies and organizations, site identification and local, state federal permit assistance.

Responsible Department: City Administrator

Timeline: Annual progress review, annual meeting with local

housing advocates. Inventory of housing sites to be completed in 1998

Program HO-3.2: Incentives. The City Council will consider reducing permit fees, connection fees and/or improvement requirements for projects involving a substantial percentage of units (minimum of 25%) for "very low-" or "other lower-" income households. Fee threshold will be consistent with State density bonus law.

Responsible Department: City Administrator

Timeline: 1998

Program HO-3.3: A 25% density bonus may be granted to qualifying projects, pursuant to Government Code 65915.

Responsible Department: Planning and Building Departments

Timeline: Continual

Program HO-3.4: The City shall encourage, coordinate with and support agencies and organizations operating rental and mortgage subsidy and self-help housing programs. The City will refer persons interested in developing low-cost housing to these agencies (Great Northern Corporation, USDA Rural Development, federal housing administration, banks participating in Community Reinvestment Act, others as City is made aware of them) for assistance.

Responsible Department: City Administrator, Planning & Building Depts

Timeline: Continual

Program HO-3.5: The Zoning Ordinance shall be revised to update and expand provisions for "planned developments" as provided in the Land Use Element.

Responsible Department: Planning Commission

Timeline: 1996

6. Timeliness

The City prior to the time the first units become at-risk will developed a specific timetable and program.

Upon receipt of the Notice of Funding Availability (NOFA) from the State the city will investigate the possibility of its use by the City for possible implementing of programs in the future. As projects become at risk and notice is received of the filing of any request with FmHA or Notices of Intent with HUD to terminate a subsidy contract, prepay a mortgage or otherwise terminate use restrictions. The City, within the required 15 month right-of-first-refusal period, will contact known public and private agencies of the notice and within available resources assist in the development of programs and in the application for available funds.

7. Quantified Objectives

Establishment of the maximum number of units by income category that can be constructed, rehabilitated and conserved over the 5 year planning period of the housing element. Depending on the availability of state and federal grants, loans and funds for housing, and local funds the following Quantified Objectives are established.

Quantified Objective	New Construction	Rehab	Conservation
Very Low-Income	27	5a	451b
Low-Income	21		
Moderate-Income	34		
Above Moderate	48		
A Five units were identified in the general plan update process in 1990-91. These units are occupied by Very Low- and Low-Income persons. Rehabilitation would be for occupancy by the same income groups. Rehabilitation would be for occupancy by the same income groups. B the general plan update process identified 451 units that need some degree of conservation from installation of insulation to structural repairs.			

Table bb: Regional Fair Share Housing - 1991-1997²⁰

Income Group	Regional share	% of total
Very low	59	21
Other lower	45	16
Moderate	75	26
Above moderate	106	37

Table CC: Housing Unit Goals - 1993-1997

Housing type	Objective (units)	% of Total
Single family residential	97	54
Multi-family residential	11	6
Senior citizens' housing	43	24
Low/moderate income housing	27	15
Second units	2	1

9. Process Used And Persons Contacted to Determine the Status of Units

a. Processed used in determination

The documents were used as the base for the inventory; the "Inventory of low income rental units subject to termination of Federal mortgage and/or rent subsidies by Year 2008" prepared by the California Coalition for Rural Housing Project and the Mount Shasta General Plan.

Contact was made with the Great Northern Corporation, a non-profit community service corporation, and persons in the local rental housing-real estate market to help discover other units. The City of Mount Shasta and the Siskiyou County Planning Department also provided input.

Persons contacted identified two FmHA projects that were not on the CCRHP listing.

Administrators and managers of the developments, and the FmHA and HCD staffs were contacted for information regarding the program(s) that applied to the individual developments.

The City of Mount Shasta has not been notified of the filing of any request with FmHA or Notices of Intent with HUD to terminate a subsidy contract, prepay a mortgage or otherwise terminate use restrictions.

Based on information obtained during the interviews and HCD, Division of Housing Policy and Development. The following two projects are identified as being

venerable if there are insufficient federal appropriations the renew existing Section 8 contracts or other subsidy programs.

Alder Gardens, a HUD assisted, Section 236 project could be eligible for conversion of use restrictions during the first 5 years of the 10 year analysis period.

President George Washington Manor, has a Section 8 contract for 38 of the 39 units. The contract is due to expire within the second 5 year period, June 29, 2001.

b. Persons contacted

Aldo Meneni, City Administrator, City of Mount Shasta
Cynthia Smith, City Planner Director, Siskiyou County
Robert Sellman, Planning Director, Siskiyou County
Angie Cheula, Great Northern Corporation
Kevin Potter, Administrator, George Washington Manors I & II
S. Scofield, Alder Gardens
Robert Longman, FmHA, Sacramento
HCD, Sacramento
Richard McNally, Kurt Nelson Inc, Alder Gardens

I. Discrimination in housing

Discrimination Against Families: The City and County as a whole have no significant known discrimination-related complaints or evidence of a need for specific programs to combat discrimination. The City will monitor such complaints and consider the need for further action if a trend develops.

The Office of City Administrator is responsible for informing the public about equal housing information. The City Administrator will obtain posters and literature from the state Department of Fair Employment and Housing, and post information in public buildings. Information and posters have been placed at the public library, at the post office and at City Hall, in addition, Great Northern Corporation, as a local housing advocate group has agreed to assist by sending literature to the HUD Section 8 recipients in Mt. Shasta and vicinity.

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